

**REMARKS**

Claims 1-50 are presently pending in this application. Claims 1, 14 and 32-39 were rejected under 35 U.S.C. §102(e) as being anticipated by U.S. Publication 2002/0032806 by Machin et al. (hereinafter "Machin"). Claims 2-13, 15-31 and 40-50 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Machin in view of U.S. Patent No. 5,473,680 to Porter.

Claims 1-50 remain in this application.

**Rejection of Claims 2-13, 15-31 and 40-50 under § 103(a)**

Applicant notes that Machin does not qualify as prior art against the present Application. The following is a quotation of 35 U.S.C. §103(c):

Subject matter developed by another person, which qualifies as prior art only under one or more of subsections (e), (f), and (g) of section 102 of this title, shall not preclude patentability under this section where the subject matter and the claimed invention were, at the time the invention was made, owned by the same person or subject to an obligation of assignment to the same person.

A formal assignment was filed with the USPTO for the cited reference. It was recorded on August 27, 1998 under reel 9422, frames 0001-0003. The notice of recordation lists both Richard C. Machin and Jameel Hyder as assignors to the Microsoft Corporation of Redmond, Washington ("Microsoft") as assignee.

Applicant similarly assigned rights to the present invention to Microsoft. A formal assignment was filed with the USPTO and recorded on August 25, 2000 under reel/frame 011081/0194. The notice of recordation lists Applicant as assignor to Microsoft as assignee.

Applicant was employed by Microsoft at the time the claimed invention was made, and the invention was at that time subject to an obligation of assignment to Microsoft. Inventors Machin and Hyder were also employed by Microsoft at the time their claimed invention was made and their invention was at that time subject to an obligation of assignment to Microsoft. Therefore, Machin does not qualify as prior art against the claimed invention, and Applicant respectfully requests the present rejections be withdrawn.

**Rejection of Claims 1, 14 and 32-39 under § 102(e)**

Applicant has amended independent claims 1, 14, 32, 35 and 37 to include limitations that the pluggable terminal may be used with a virtual or non-virtual device. The ability to utilize virtual devices in addition to physical devices is supported throughout Applicant's specification (see, e.g., p. 4, ln. 13; p. 14, ln. 7; p. 16, ln. 18; p. 18, ln. 9; p. 19, ln. 21; p. 22, ln. 11; and p. 24, ln. 13). Physical devices can include, for example, "a sound card, a video camera, and a phone." (Specification, p.14, lns. 5-9). Virtual devices can include, for example, "a video window on the screen, a file to which the media stream is saved, and a DTMF detector." (Id.) Applicant's claimed invention works with both physical and virtual devices. The use of virtual media processing devices is not disclosed in either reference cited by the Examiner. Applicant therefore respectfully requests the allowance of independent claims 1, 14, 32, 35 and 37.

Claims 33 and 34 have been amended to correct claim number references, and as amended depend on independent claim 32.

Claim 36 has been amended to correct a claim number reference, and as amended depends on independent claim 35.

Claims 33-34, 36 and 38-39 as now presented include the limitations of their amended independent base claims. Applicant therefore respectfully requests the allowance of these claims since they include limitations not taught or disclosed in the cited references.

**Additional amendments to Claims 18 and 50**

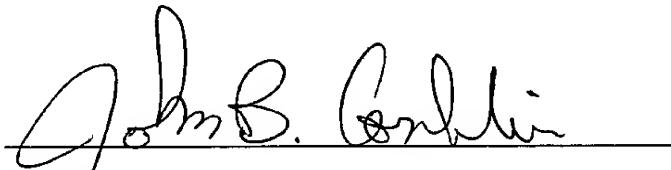
In addition to the amendments described above, Applicant has amended independent claims 18 and 50 to include the use of virtual or non-virtual devices. The unamended claims were rejected under § 103(a). By the foregoing arguments, the unamended claims 18 and 50 should be allowed pursuant to § 103(c). The additional limitation should not, therefore, affect the claims' allowability with respect to the references cited by the Examiner. Applicant respectfully requests the allowance of these claims.

In re Appln. of QUINTON  
Appln. No. 09/649,510

**CONCLUSION**

The application is now considered to be in good and proper form for allowance, and the Examiner is respectfully requested to pass this application to issue. If, in the opinion of the Examiner, a telephone conference would expedite the prosecution of the subject application, the Examiner is invited to call the undersigned attorney.

Respectfully submitted,

A handwritten signature in cursive script, reading "John B. Conklin", is written over a horizontal line.

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